of other requirements under the Mines and Minerals Regulation and Development Act.

Out of 25 proposals received from private (Indian and Foreign) companies for captive mining 15 proposals have so far been considered and coal blocks have been identified for 13 companies.

(d) New technologies are being applied both in Opencast and Underground mining in India.

In Opencast mining, heavy Earth Moving Machinery like Dragline, Shovels, Dumpers, Crushers, Conveyors etc. are being deployed. In Underground mining several new techniques e.g. powered support longwall systems, sub-level caving, Blasting gallery method, Shield mining etc. have been introduced.

(e) The Ministry of Labour has constituted a Court of Inquiry headed by Mr. Justice Shamsuddin Ahmed, formerly Judge of the Calcutta High Court, to hold an inquiry into the accident.

(f) The production of coal of various grades and import of coal by Steel Plants during last 3 years are as under:—

(in Million Tonnes)

| Production | 1990-91 | 1991-92 | 1992-93 |
|---|---|---|---|
| *Coking Coal:* | | | |
| (a) Steel & Washery Grades | 31.80 | 32.77 | 32.33 |
| (b) Other Grades | 13.76 | 12.95 | 13.07 |
| *Non-Coking Coal:* | | | |
| (c) Grades A, B, C & Assam Coal | 67.37 | 72.14 | 75.37 |
| (d) Other Grades | 98.80 | 111.42 | 117.46 |
| Imports by Steel Plants | 5.72 | 6.08 | 6.71 |

(g) Modernisation in the Coal Sector is a continuous process undertaken by Coal Companies. Most of on-going projects, reorganisation projects and new projects have been formulated or are being formulated aiming at improved ventilation, transportation/loading system, surface floor support, lighting, mechanisation of hazardous manual job and adoption of new mining methods. The funds diverted for most of on-going projects and new projects have the component for modernisation. The outlay for such projects during 8th Plan period is approximately Rs. 5600 crores for Coal India Limited and Rs. 1299 crores for Singareni Collieries Company Limited.

No contribution from private sector, including foreign, is envisaged in modernization of our collieries.

(h) As on 01.01.1994, the total coal reserves of India down to a depth of 1200 metres have been estimated by Geological Survey of India at 1,96,891.87 million tonnes, as against 1,93,777.13 million tonnes as on 01.01.1993.

12.00 NOON

SHRI CHIMANBHAI MEHTA: Sir, privatisation has been undertaken mainly for captive mines. Therefore, I want to know whether the Government is going to invite foreign capital in the modernisation programmes of captive mines.

MR. CHAIRMAN: I am sorry, the Question Hour is over.

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## WRITTEN ANSWERS TO QUESTIONS

### Objectives of VABAL Scheme

*64.SHRI SATYA PRAKASH MALAVIYA: Will the Minister of COMMERCE be pleased to state:

(a) whether his attention has been drawn to the news item which appeared in various newspapers including Economic Times of 8th February, 1994 about the gross misuse of Value Based Advanced Licensing (VABAL) Scheme by fradulent exporters;

(b) what were the objectives of Government in formulating VABAL Scheme;

(c) whether these objectives have been achieved and to what extent have our export earnings improved in real terms;

(d) whether Government have been

able to lay hands on the fradulent exporter who have grossly misused the Scheme and defrauded Government exchequer of nearly Rs. 3000 Crores; and

(e) if not the reasons therefor alongwith the reasons for delaying the corrective measures in this regard?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) and (c) Value Based Advance Licensing Scheme is a new concept introduced in the Export and Import Policy, 1992—97 with effect from 1.4.1992. Under this Scheme, licences are issued for a stated value, specifying only the items of import without indicating their individual quantities or values, thereby enabling the exporters to import one or more items, except the sensitive items, to the full value of the licence without any quantitative restrictions. The underlying idea was to free exporters from unnecessary incovenience with the Governemnt agencies by being required to establish a nexus of the export product to the imported inputs to the last grammage. Another underlying idea was to enable exporters to source their imports in desired quantities on more competitive rates as compared to meagre and uneconomic quantities allowed earlier under Quantity Based Licences. Yet another factor in formulating the Scheme was that the exporter should be given some compensation for the losses suffered on account of withdrawal of direct subsidies like CCS and REP licences. These objectives have by and large been achieved. Though it is not possible to indicate the exact increase in exports on account of VABAL, the analysis has shown that there has been an appreciable increase in exports in respect of products which have used VABAL facility.

(d) and (e) The Directorate General of Revenue Intelligence have investigated some cases involving the misuse of this Scheme. A list of these cases has been given in answer to Rajya Sabha Unstarred Question No. 55 dated 22nd February, 1994. Corrective measures have also been taken by the Government by adding a number of additional items in the sensitive list on 14.9.1993 and subjecting Value Based Licences issued prior to 14.9.1993 to the limitations of the Sensitive List as presently notified.

**Withdrawal of International Price Reimbursement Scheme**

*67. DR. SANJAYA SINH:
SHRI INDER KUMAR GUJRAL:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that International Price Reimbursement Scheme for Engineering goods exporters is likely to be withdrawn w.e.f. 1.4.94;

(b) whether it is also a fact that an announcement was made by the Commerce Minister to the effect that the said scheme would continue till March 31, 1995; and

(c) if so, the circumstances under which the scheme has to be withdrawn and what is the reaction of Chember of Commerce in this regard?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) to (c) The International Price Reimbursement Scheme (IPRS) has been withdrawn for exports effected after 1.4.1994. It had been this Ministry's endeavour to phase out the scheme over a longer period extending upto 31.3.1994. However, this was not possible as no viable mechanism to finance the present Scheme beyond 1.4.94 could be evolved. While apprehension has been expressed that exports may be adversely affected due to the withdrawal of the Scheme, Government is taking all possible measures to minimise such an adverse effect.